

Connecticut State Board of Accountancy
September 08, 2010
Minutes

Chairman Thomas F. Reynolds called the meeting to order at 08:50 A.M. at the State Board of Accountancy, 30 Trinity Street 250, Hartford, CT 06106.

Present:

Thomas F. Reynolds, CPA, Chairman
Philip J. DeCaprio, Jr., CPA/ABV/CFF, Cr.FA, CVA
Richard H. Gesseck, CPA
Leonard M. Romaniello, Jr., CPA, CITP, CFE, MST
Lee R. Schlesinger
Richard L. Sturdevant
Martha S. Triplett, Esq.
Michael Weinshel, CPA

Staff Members Present:

David L. Guay, Executive Director
Rebecca E. Adams, Esq., Board Counsel
Angel D. Acevedo, Office Assistant

Absent:

James S. Ciarcia

Motion was made by Philip DeCaprio and seconded by Leonard Romaniello to approve the minutes of the July 07, 2010 Board Meeting. All voted in favor; no votes against and no abstentions; Ms. Triplett entered the meeting after this vote was taken.

Executive Director's Operations Update and Review:

Budget

- FY11 BOARD OF ACCOUNTANCY APPROPRIATION
 - Personal Services [345,306] 336,533
 - Other Expenses [77,863] 47,155
 - AGENCY TOTAL [423,169] 383,688
- OE has been reduced by the Governor to \$27,199.00
- Submitted as required a Current Services budget request to OPM and the Governor on August 23, 2010
- Submitted as required a reduction option of 15%

Licensing

- We've been accepted for conversion to the State's enterprise wide licensing system and have met three times with the Deputy Commissioner of Consumer Protection to begin and proceed with conversion from our current system.
- Met with the new Becker Representative for Connecticut
- Continued to work on our licensing procedures and work flow
- Continued work on a new Certification guide

- Drafted a new Experience Form
- Reviewed all pending applications (Intern Michael Milano a big help)
- Accomplished a walk thru of the AICPA Peer Review facilitated Access system

General Administrative

- Summer intern, Michael Milano from ECSU completed his internship on August 13, 2010
- Met with the Department of Administrative Services Small Agency Resource Team to iron out purchasing issues.
- Applied to DOIT for web site upgrade

Personal

- Attended a nine day Boy Scouts of America trip, including the National Scout Jamboree in Virginia and a week of Scout camp in Maryland on the shores of the Chesapeake Bay

The hearing in the matter of Philip Madonna, Jr.(Docket Number: 2010130-3480) was convened and officiated at 08:55A.M. by Ms. Martha S. Triplett, Esq.

- Board Members Present: Philip DeCaprio, Leonard Romaniello, Thomas Reynolds, Lee Schlesinger, Richard Sturdevant, Martha Triplett, and Michael Weinschel;
- Mr. Richard Gesseck recused himself;
- Staff Members Present: David Guay, Rebecca Adams, and Angel Acevedo;
- Also Present: Mr. Philip Madonna, Jr., petitioner, and Mr. Martin Gannon, employer, of Baron Gannon & Co., PC Certified Public Accountants.

The Petitioner, Mr. Madonna introduced exhibits P-13 through P-20, as well as the oral testimony of his current employer, Mr. Gannon.

At 9:48A.M. the Board determined to continue the hearing and reconvene at the October 05, 2010 Board Meeting, as legal counsel is waiting for more letters of support for Mr. Madonna, so they may be entered into official record before a decision is rendered.

Public Session **Enforcement Agenda**

I. Requesting Settlement Approval

A. licensing related settlements

2010019-3366 Dudzik & Wrinn, P.C., CPAs- failure to submit 2007 Quality Review; *requesting settlement approval.*

2010031-3379 Donald Siclari- failure to submit 2008 Quality Review; *requesting settlement approval.*

2010093-3443 Andrew Crandall- failure to renew CPA License; *requesting settlement approval.*

2010098-3448 Miller Moriarty & Company LLC- failure to renew Firm Permit; *requesting settlement approval.*

2010101-3451 Jonathan DeFeo– failure to renew CPA License; *requesting settlement approval.*

2010117-3467 David Van Gessel- failure to renew CPA License; *requesting settlement approval.*

2010118-3468 David Van Gessel- failure to renew Firm Permit; *requesting settlement approval.*

2010134-3484 Ralph Beveridge- failure to renew CPA License & Firm Permit; *requesting settlement approval.*

2010139-3489 Peter Micca– CPE Audit findings show all properly earned CPE but failure to report on 2008, 2009, and 2010 renewals; *requesting settlement approval.*

2010144-3494 Michael Walsh- failure to renew CPA License & Firm Permit; *requesting settlement approval.*

2010146-3496 Cheryl LaFlamme Miller- failure to obtain Firm Permit; *requesting settlement approval.*

2010150-3500 Matthew Snyder- failed to register CPA Certificate in 2009-present; *requesting settlement approval.*

2010142-3492 Robert Carroll- failure to hold Firm Permit in 2009 & 2010; *requesting settlement approval.*

2010153-3503 Mario Cherubino- failure to renew CPA License; *requesting settlement approval.*

2010154-3504 Suzanne Spencer- late compliance with CPE Audit; *requesting settlement approval.*

2010155-3505 James Umelo- late compliance with CPE Audit; *requesting settlement approval.*

2010157-3507 William Nagy- late compliance with CPE Audit; *requesting settlement approval.*

2010158-3508 Glen Bascetta– late Firm Permit renewal application; *requesting settlement approval.*

2010159-3509 Lawrence Dunn- failure to renew CPA License on time; *requesting settlement approval.*

I. Requesting Settlement Approval

B. Other Settlements

2009128-3141 Joseph Reilly- practicing without a CPA License & Firm Permit; *requesting settlement approval.*

2009160-3335 Carol Murphy- practicing without a CPA License; *requesting settlement approval.*

2010002-3142 Chan Han- operating without a Firm Permit; *requesting settlement approval.*

2010103-3453 Michael Gostomski- negligence in tax preparation; *requesting settlement approval.*

Motion made by Lee Schlesinger and seconded by Philip DeCaprio to approve the settlements executed by Ms. Adams in section I. Requesting Settlement Approvals- A. Licensing Related Settlements and in subsection B. Other Settlements. All voted in favor; no votes against and no abstentions.

II. Recommending Dismissal

2009104-3227 David Zeldis- alleged refusal to provide a trust accounting; *requesting dismissal; no probable cause; no violation found.*

2010004-3351 Samuel Discenza- allegations of filing taxes without consent; *requesting dismissal.*

2010036-3384 Shannon Heap- allegations of failure to provide client records; *requesting dismissal; no probable cause; no violation found.*

2010114-3464 Anthony Martini- allegations of failure to provide billing records; *requesting dismissal; no probable cause; no violation found.*

2010119-3469 Mordecai Lerer- failure to maintain CPA License in 2009 & 2010; Mr. Lerer holds a New York license and was not required to be licensed in Connecticut during that time; *requesting dismissal; no probable cause; no violation found.*

2010120-3470 Mordecai Lerer- failure to hold Firm Permit in 2009 & 2010; *requesting dismissal; no probable cause; no violation found.*

2010140-3490 Berrill Jacobs- CPE Audit allegations of failure to accurately report CPE; *requesting dismissal; no probable cause; no violation found.*

2010141-3491 Fran Zeiss- CPE audit allegations of failure to comply with ethics CPE; *requesting dismissal; no probable cause; no violation found.*

Motion made by Martha Triplett and seconded by Michael Weinshel to dismiss the enforcement cases in Section II. All cases were opened as a result of complaints from the public. Ms. Adams, through the course of her investigations, has found no probable cause, or violations. All voted in favor; no votes against and no abstentions.

III. Requesting Formal Charges and Notice of Hearing

2010057-3407 Alexander Fedele- Mr. Fedele was declared incompetent by probate court. He was ordered to surrender his CPA license but has failed to do so. He has failed to respond to Board communications; *requesting authority to issue formal charges.*

Motion made by Philip DeCaprio and seconded by Martha Triplett to authorize Ms. Adams to issue formal charges in enforcement case # 2010057-3407, against Mr. Alexander Fedele. All voted in favor; no votes against and no abstentions. Mr. Michael Weinshel recused himself.

2010080-3430 Charles Brush- Mr. Brush consented to indefinite suspension with IRS 2006; has failed to respond to all Board communications; *requesting authority to issue formal charges.*

Motion made by Mr. Michael Weinshel and seconded by Richard Sturdevant to authorize Ms. Adams to issue formal charges in enforcement case # 2010080-3430, against Mr. Charles Brush. All voted in favor; no votes against and no abstentions.

IV. Petition for Reinstatement of Philip Madonna: CONTINUATION OF HEARING OPENED JULY 7, 2010

AS NOTICED BELOW:

In the Matter of 2010130-3480

NOTICE OF HEARING

Pursuant to the provisions of Connecticut General Statutes Section 20-280b, and the Uniform Administrative Procedure Act, Connecticut General Statutes Section 4-166 et seq., and by virtue of the authority vested in it by said statutes, the State Board of Accountancy (the "Board") having received the request made by Philip Madonna, pursuant to Connecticut General Statutes Section 20-281f, for reissuance and reinstatement of certified public accountant certificate number 7554, hereby gives notice a of a hearing to be held:

Wednesday, July 7, 2010 at 10:00 AM EST
At the Board Offices at:
30 Trinity Street, Hartford, Connecticut 06106

The Board reviewed and noted, for the record, CPA Certificate Registration, CPA License & Firm Permit Applications approved by the Executive Director July 07, 2010 through September 07, 2010.

Motion made by Michael Weinshel and seconded by Richard Gesseck to approve Mr. Ronald W. Nossek's request for an extension to complete the 4 CPE Hours of Ethics for the reporting period of July 01, 2009- June 30, 2010. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Martha Triplett to set the CPE reporting requirement for financial statement preparation, or reporting to 8 CPE Hours for the period of July 01, 2010 – June 30, 2011. All voted in favor; no votes against and no abstentions.

Motion made by Richard Sturdevant and seconded by Lee Schlesinger to set the reporting of CPE Hours (July 01, 2009- June 30, 2010) for the renewal of the 2011 CPA License as a check off of an affirmative statement under penalty of perjury attesting to the completion of the

requirement. All voted in favor; no votes against and no abstentions.- Chairman Reynolds exited meeting at 10:30 A.M., after this vote was recorded, Leonard Romaniello took the role of acting-Chairman for the remainder of the meeting.

Motion made Michael Weinshel and seconded by Martha Triplett to approve firm acceptability request from Mr. Richard J. Pavano. All voted in favor; no votes against and no abstentions. Mr. Philip DeCaprio recused himself.

Motion made by Martha Triplett and seconded by Richard Gesseck to approve Mr. David J. Sitkiewicz CPE Extension request to December 31, 2010. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Philip DeCaprio to approve the request submitted by Ms. Danielle Kearney for an extension till December 31, 2010 to complete an additional 3 CPE Hours to complete the 40 CPE Hour requirement for the renewal of her CPA License # 12964. All voted in favor; no votes against and no abstentions.

Motion made by Martha Triplett and seconded by Philip DeCaprio to approve the request from Ms. Nadya Evdokimova to retake the FAR Section of the CPA Examination. All voted in favor; no votes against and no abstentions.

The Board noted for the official record, a review of the completed CPE Audit completed August 31, 2010.

The Board noted, for the record, new PCAOB Inspection Reports received:

- July 02, 2010 Report on Child, VanWagner & Bradshaw, PLLC
- July 02, 2010 Report on Ernst & Young LLP
- July 02, 2010 Report on Fiondella, Milone & LaSaracina LLP
- July 29, 2010 Report on LarsonAllen LLP
- August 12, 2010 Report on BDO Seidman, LLP
- August 12, 2010 Report on Grant Thornton LLP
- August 12, 2010 FReport on PricewaterhouseCoopers LLP

Motion made by Michael Weinshel to approve Mr. William T. Coolahan's CPA Certificate Experience Verification application in Industry Accounting. Philip DeCaprio seconded the motion. All voted in favor; no votes against and no abstentions.

Motion made by Richard Gesseck to approve Ms. Ginger M. Basil's CPA Certificate Experience Verification application in Industry Accounting. Richard Sturdevant seconded the motion. All voted in favor; no votes against and no abstentions.

Motion made by Philip DeCaprio and seconded by Richard Gesseck to approve Mr. Benoit Gossart's CPA Certificate Experience Verification application in Industry Accounting. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded Philip DeCaprio to table Ms. Jane Tran's CPA Certificate Experience Verification application in Industry Accounting pending more detailed information. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Philip DeCaprio to approve Ms. Teresa F. Drozd's CPA Certificate Experience Verification application in Industry Accounting. All voted in favor; no votes against and no abstentions.

Motion made by Richard Sturdevant and seconded by Martha Triplett to approve Mr. Thomas R. Carvette's CPA Certificate Experience Verification application in Industry Accounting. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Richard Gesseck to approve Ms. Melissa S. Wank's CPA Certificate Experience Verification application, after additional information was submitted by applicant. All voted in favor; no votes against and no abstentions.

Motion made by Michael Weinshel and seconded by Richard Sturdevant to approve Mr. Joseph Beaudry, III's CPA Certificate Experience Verification application. All voted in favor; no votes against and no abstentions.

Under Regulatory Activity, Ms. Adams informed the Board the Experience Regulations were currently with Assistant Attorney General and will be presented to the Regulation Review Committee.

The revised Peer Review Regulations & Statute revision will be presented to the Board at the October 05, 2010 Board Meeting.

Motion made by Michael Weinshel and seconded by Lee Schlesinger to approve the draft of NASBA's Regional Director's Focus Questions. All voted in favor; no votes against and no abstentions.

Under the Public Comment, Arthur Renner, Executive Director of CSCPA, addressed the Board briefly.

A motion was made by Philip DeCaprio and seconded by Martha Triplett to adjourn the September 08, 2010 Board Meeting of the Connecticut State Board of Accountancy at 11: 25 A.M.. All voted in favor; no votes against and no abstentions.